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1974

Interim Report
Ont. Legislative Assembly.
of the
Select Committee
on
ECONOMIC AND CULTURAL
NATIONALISM



**ADVERTISING AND THE
ADVERTISING INDUSTRY**

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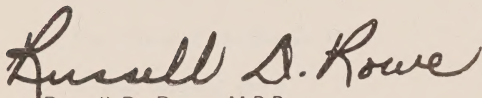
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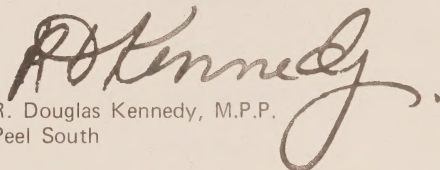
TO: The Honourable Allan E. Reuter,
Speaker of the Legislative Assembly of the Province of Ontario:

Sir:

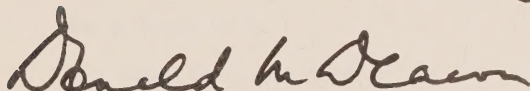
We, the undersigned members of the Committee appointed by the Legislative Assembly of the Province of Ontario on December 17, 1971, to review the Report of the Interdepartmental Task Force on Foreign Investment and the current status of opinion and information on economic and cultural nationalism in Canada, have the honour to submit the attached Interim Report.



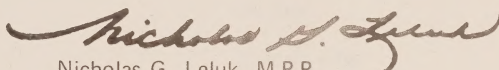
Russell D. Rowe, M.P.P.
Northumberland,
Chairman



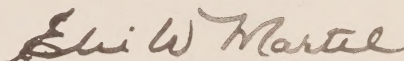
R. Douglas Kennedy, M.P.P.
Peel South




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York Centre



Nicholas G. Leluk, M.P.P.
Humber



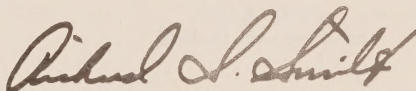
Elie W. Martel, M.P.P.
Sudbury East



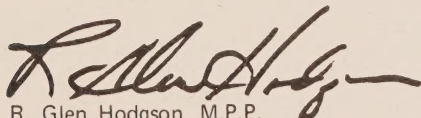
Ian Deans, M.P.P.
Wentworth

Hon. William G. Newman, M.P.P. *
Ontario South

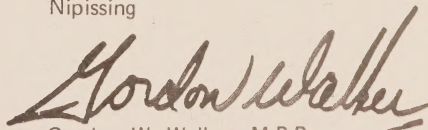
Hon. Sidney B. Handleman, M.P.P. *
Carleton



Richard S. Smith, M.P.P.
Nipissing



R. Glen Hodgson, M.P.P.
Victoria-Haliburton



Gordon W. Walker, M.P.P.
London North

* On February 26, 1974 Mr. Newman and Mr. Handleman were sworn as Members of the Executive Council of the Province of Ontario. Since that time they have not participated in the deliberations of the Committee in the formulation of this report, and they accordingly neither subscribe to, nor dissent from the report.

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Russell D. Rowe, M.P.P. (Chairman)	Northumberland
Donald M. Deacon, M.P.P.	York Centre
Ian Deans, M.P.P.	Wentworth
* Hon. Sidney B. Handleman, M.P.P.	Carleton
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ADVERTISING AND THE ADVERTISING INDUSTRY

SUMMARY OF RECOMMENDATIONS

	PAGE
Advertising Agency Business	
COMMON ACCOUNTS	
1. That all existing common accounts be eliminated and that no new ones be allowed to develop in the future*	17
2. That no deduction be permitted for income tax purposes for advertising agency commissions or fees paid by an advertiser where a common account situation exists*	17
NEW AGENCIES AND MARKET SHARE OF BILLINGS	
3. That the Ministry of Consumer and Commercial Relations monitor carefully on an annual basis the percentage breakdown of billings between Canadian and foreign owned agencies. That numbers of new advertising agencies in Ontario be similarly monitored. That to the maximum extent possible existing sources of data be used for this purpose, and that the aggregate figures for the industry be published	18
4. That the Government of Ontario take appropriate action should the relative position of Canadian owned agencies deteriorate further in the future	18
5. In the administration of the Foreign Investment Review Act, that the establishment of new foreign owned agencies or foreign takeovers of Canadian advertising agencies not be allowed unless the Canadian owned agencies' share of billings shows a steady pattern of increase	18
DIRECT USE OF U.S. AGENCIES	
6. That advertising placed through the U.S. offices of agencies when the advertising is directed primarily to Canadian consumers should be disallowed as deductions for income tax purposes	19
IMPORTATION OF CREATIVE MATERIALS	
7. That there be no further importation into Canada of creative advertising materials, including films, sound recordings, photography and print copy. That an exception be made for advertising material which is essential to accurately represent foreign tourist and recreational facilities	20
Should the above recommendations not be implemented, or in the interim period during which the foregoing recommendation is being phased in, the Committee recommends federal action to revise customs procedures so that customs valuation will reflect the true value of imported advertising material.	20
USE OF NON-CANADIANS IN CANADIAN COMMERCIAL PRODUCTION	
8. That there be continued efforts to widen the opportunities for Canadian performing artists to work or appear in the United States on an occasional basis	21

* Mr. Rowe dissents from this recommendation. See page 26.

Advertising and Advertising Content

That the Paliament of Ontario enact legislation to require:*

9. That all advertising in Ontario take the form of complete factual and balanced presentations relating to the actual properties and effects, and the proper use and maintenance of the products (or services) being advertised. 25
10. That all advertising be free from intentional or apparent features or devices which tend to develop artificial psychological associations of the product with sexual life or social status, or elegance, glamour or excitement of "lifestyle." The use of testimonials and other devices to promote artificial and inappropriate associations of products with well known personalities, their profession, success or lifestyle; and the inappropriate associational use of natural settings are examples of specific techniques which should be prohibited... 25
11. That approaches to complete, factual and balanced presentations of information about products and services which are creative, entertaining and attractive and which improve the communication of factual information or are incidental thereto, and do not detract from or undermine the emphasis on facts, completeness and balance, be encouraged..... 26
12. That the Minister of Consumer and Commercial Relations establish appropriate machinery for the enforcement of these standards..... 26

* Mr. Rowe dissents from these recommendations. See page 26.

The Advertising Industry: Policy Considerations

An area of special public concern which developed in the course of the Committee's hearings and enquiries, and to which the Committee gave a good deal of research and other attention were questions relating to foreign ownership and the advertising industry in Canada.

The Committee received briefs from a large number of individuals, companies, and groups in or connected with the advertising industry. The Committee held several days of hearings on questions relating to foreign ownership of the advertising industry and had the benefit of views of senior executives of both Canadian and foreign owned firms, as well as of other interested persons and organizations.

Among areas investigated by the Committee, the advertising industry was particularly notable for the interest and participation which it stimulated. The Committee received many briefs and presentations supplementary to original representations to the Committee. In addition, the Committee commissioned a specific study of the advertising industry, especially to attempt to focus more systematically on the issues raised in the course of the Committee's public enquiries. That study examined ownership patterns in the advertising industry, differences in business characteristics between Canadian and foreign owned firms, the importation of creative materials in connection with the advertising industry, and attitudes within the industry to policy approaches which might be taken. The approach, methodology and conclusions of that study are found in the separately published *Foreign Ownership and the Advertising Industry*.¹ Committees of the Senate of Canada have also completed reports on these and related issues in recent years.²

Since that time, the Canadian Radio and Television Commission has announced that it is developing new directives concerning the use of imported creative material and personnel in radio and television advertising. In combination with other objectives (including the elimination of commercials from C.B.C. radio and their reduction from C.B.C. network television) the effect of these new policies would be to require substantial Canadian content in commercials aired on Canadian radio and television media.

The Committee's further observations on these and other issues are contained below.

The Committee's investigations and research identified a number of important patterns obtaining within the advertising industry. At the same time the Committee found that in general the larger Canadian and foreign owned advertising agencies were vigorously resistant to new government regulatory, legislative or restrictive initiatives. Some smaller enterprises in the advertising and related industries were strongly in favour of measures to restrict foreign ownership or foreign content in the advertising industry while others were opposed.

¹Select Committee on Economic and Cultural Nationalism, *Foreign Ownership and the Advertising Industry*, by Kates, Peat, Marwick and Co., Toronto; Queen's Printer, 1973.

²Senate of Canada, Special Senate Committee on Mass Media, *Report: Volume 1, The Uncertain Mirror; Volume 2, Words, Music and Dollars; Volume 3, Good, Bad or Simply Inevitable?*, Ottawa, Queen's Printer, 1970; and *Report of The Standing Senate Committee on Transportation and Communications on Radio and Television Commercial Advertising Broadcast in Canada*, Ottawa, July, 1973.

The Committee's enquiries indicated that in some respects there are no significant differences between Canadian owned and foreign owned agencies, while in other respects the differences may be considerable. It was found that the foreign owned agencies generally have larger accounts, i.e. foreign owned agencies tended to have a much higher proportion of large clients with large advertising budgets in their client mix, whereas Canadian owned agencies, even those of large size, frequently have a larger proportion of smaller accounts. Closely related to this phenomenon, foreign owned agencies tended to have lower overhead or administrative cost ratios, presumably because of the lower costs of handling and administering accounts in relation to total billings. There were, predictably, inter-office charges for business services and other payments between foreign parents and their subsidiaries as well as profit transfers from the Canadian subsidiaries to the parent. So far as the Committee could ascertain, however, there did not appear to be any uniform pattern. The Committee was not able to develop reliable figures on these aspects. In a number of cases, the Canadian subsidiaries of foreign advertising agencies enjoy operating autonomy in Canada although they may be under some sales pressure from their parents.

In its enquiries, the Committee identified three factors which it considers to be of special importance:

1. The importation of creative materials;
2. Common accounts;
3. Foreign owned agencies market share of billings.

Importation of Creative Materials

First, there are significant importations of creative materials of various kinds by both Canadian and foreign owned advertising agencies. This reflects the fact that a large number of the advertisers—those whose products are being advertised—are foreign and particularly American owned with substantial commonality in product line, packaging and marketing style and strategy between the U.S. and Canada. Typically a large amount of the marketing and advertising work for the product is done in the United States. It is frequently less expensive for a commercial or advertisement developed in the United States to be shipped to Canada for use here, perhaps with some adaptation, rather than to incur the expense of creating separate commercials for the Canadian market or markets. Less frequently, a different rationale was advanced before the Committee in support of the importation of creative advertising material. Some kinds of facilities, it was said, especially for the preparation of television commercials, do not exist in Canada. Some of the kinds of facilities needed for automobile advertising were specifically mentioned. Secondly, it was pointed out to the Committee that certain kinds of commercials requiring a warm climate or summer atmosphere may of necessity or convenience be shot in the United States where summer climates are available year round.

Whereas arguments in favour of the importation of creative advertising materials emphasize cost savings especially to the advertiser, as well as benefits to Canada to the extent that there is adaptation, arguments opposing the importation of creative materials emphasize the employment of Canadian creative and performing artists, technical personnel, and related facilities. Others would emphasize the possibility of cultural differences in commercials made wholly or largely in Canada. However, the Committee was unable to find much difference in the advertising styles of Canadian and foreign owned agencies. So far as the Committee could detect Canadian owned agencies have not taken any special initiatives towards developing distinctive Canadian approaches to advertising. Were it desired to promote distinctiveness in Canadian

advertising, however, it is likely that the employment of Canadian creative personnel would be emphasized. The Committee's further observations on advertising and advertising content appear in a later section.

It was argued before the Committee that the importation of advertising commercials is especially important to actors, musicians and other performing artists in Canada.

A major portion of performing artists in these categories in Canada are unable to earn a reasonable livelihood merely from their work in the public performing arts with theatrical, musical or other groups. To sustain an acceptable livelihood, they must find outside employment and it is to the advertising industry that they look for extra income. If there is significant importation of commercials into Canada, the market for Canadian performing artists and related technical personnel is thereby weaker. This is especially true regarding television commercials, a category in which a very large proportion of the importance of creative material is placed, in part because of its very high initial production costs.

The importation of creative materials is similarly a substitute for the engagement in Canada of Canadian creative advertising personnel.

Importation of ready-made commercials or other creative materials also gives the foreign owned *advertiser* a major advantage over his Canadian owned counterpart. The Canadian owned enterprise must have his own commercials prepared from scratch at considerable cost. The foreign owned advertiser may merely reuse the advertising developed and used by his foreign parent, which the latter makes available to its subsidiary at a nominal cost which is a small fraction of the cost of production. It thus may be considerably cheaper for a foreign owned enterprise to advertise its products than for a Canadian owned enterprise.

Common Accounts

A second aspect of special concern to the Committee, in connection with foreign ownership in the advertising industry and one apparently closely related to the importation of creative materials, is what is referred to as common accounts. The phrase 'common accounts' refers to a foreign advertiser and its Canadian subsidiary both placing their advertising work with the same agency, the latter including its Canadian subsidiary. Common accounts were said to develop because the foreign advertiser's agency had an inside track on the business of the Canadian subsidiary of the foreign advertiser. Indeed, it appears that Canadian branches of U.S. based advertising agencies were frequently established to handle the Canadian business of the parent agencies' clients. These patterns are in turn reinforced by the substantial commonality of enterprise and enterprise name, product line, packaging, and marketing strategy and style of foreign parents and their Canadian subsidiaries.

The importance and impact of the common account phenomenon is that it gives foreign owned advertising agencies an important and unfair advantage over Canadian owned agencies in getting the business of foreign owned advertisers in Canada. In cases where the decision to employ a particular advertising agency is made by the foreign parent of the Canadian advertiser, Canadian owned advertising agencies may not even have an opportunity to put in bids. Canadian advertising agencies only very infrequently have foreign branches. What foreign branches Canadian agencies do have are relatively modest. In any case, Canadian agencies do not have in their home base, i.e. Canada, the large pool of international advertisers to draw from that agencies in the United States have.

Variants of the common account phenomenon were also identified to the Committee. Sometimes a common account placed with one agency and its Canadian subsidiary is changed to another foreign agency, and the Canadian account follows suit. In other words, a common account is switched. In a number of other instances the Committee was told an account switched by the foreign parent advertiser was not duplicated in Canada, the Canadian subsidiary's account remaining with its former agency, or perhaps switching to a third agency.

Nevertheless, the initial advantage may continue to be enjoyed by the Canadian advertising subsidiary, whether under a new common account arrangement, or because only the parent advertiser switches agencies.

In other cases, it was said that advertising accounts were placed separately by the parent advertiser and its Canadian subsidiary. Nonetheless it became apparent in the course of the Committee's enquiries that foreign advertisers tended to place their business more frequently with foreign owned than Canadian owned agencies, or to place a more substantial proportion of their business with foreign owned agencies. Foreign owned advertising agencies thus get more of the top advertisers' business than do Canadian agencies, because so many of the largest advertisers are foreign owned. This in turn results, as already noted, in foreign owned agencies tending to have a much larger average size of account in their client mix.

Foreign Owned Agencies Market Share

A third matter of particular concern to the Committee is the growth in agency billings. Over the past 20 years, the Committee studies found, the billings of foreign owned agencies have grown much more than have the billings of Canadian owned agencies.

Between 1950 and 1971 the share of foreign controlled advertising agencies in advertising billings in Canada grew from 12.5% to 31.4% and most of that growth took place during the last ten years.³ The Committee found this declining share for Canadian owned agencies disturbing. A number of factors appear to account for the change. Some of the increase in billings reflects takeovers of Canadian owned agencies by foreign owned agencies. (There have also been takeovers of foreign agencies by Canadian). A significant proportion of the growth reflects the initial establishment in Canada of subsidiaries of foreign based agencies not previously operating in Canada. As has already been noted, new subsidiaries frequently began with the great advantage of having the business of one or two or perhaps several accounts of advertisers based in the U.S. or whose parents were U.S. based. For the reasons identified above and perhaps others, foreign controlled agencies tended to make net gains in account switches especially where foreign owned advertisers may have been involved.

The pattern which the Committee observed or was able to identify in the advertising agency business was confirmed or reinforced by evidence on the behaviour of advertisers. It was found, for example, that foreign owned advertisers have tended to favour foreign owned advertising agencies in placing their accounts. Canadian controlled advertisers similarly preferred Canadian owned agencies, but the foreign owned advertisers are and have been far more important. Foreign advertisers also placed a significant percentage of their business directly with a United States agency. These patterns are the more important when it is taken into account that foreign owned advertisers dominate among the largest advertisers in Canada and especially among television advertisers.

³See *Foreign Ownership and the Advertising Industry*, p. 54.

Policy Alternatives

In its hearings, consultations, investigations and studies the Committee considered a variety of policy alternatives and received a variety of reactions and proposals from members of the advertising and related industries. As noted, both the larger Canadian and foreign controlled agencies argued vigorously for little or no government intervention, although it was at one time suggested by some Canadian agency representatives that if appropriate fiscal devices could be discovered to give Canadian agencies a "fairer chance" they might be desirable.

The Committee, of course, takes the position that the views of any particular group did not necessarily reflect the public interest.

One policy alternative considered by the Committee was to require that foreign owned agencies be converted to Canadian ownership. Following typical ownership patterns in the advertising and related industries this would probably occur, if mandated, through transfer of ownership to managers in Canada. (At the present time many Canadian executives of foreign owned agencies have ownership interests in the parent company). The Committee was unable to develop any basis for confidence that change in ownership would result in early change in business characteristics; for the longer run there might or might not be some change. It was argued that ownership requirements of these kinds might well cause a shift of advertising business to other provinces.

A second alternative considered by the Committee would be the banning of the establishment of any new foreign owned agencies in Canada. Such an approach might be in response to the fact that the introduction into Canada of new agencies which are subsidiaries of an American based company has been one of the ways in which agency billings and common accounts have expanded. Typically, as noted, they have been initially established on the basis of common account business. By contrast with across-the-board ownership requirements, limiting new agencies would be similar to legislative approaches taken in a number of other industries, many of them identified as key sectors. Legislation in most financial industries, for example, prohibits the establishment of new firms unless they are Canadian owned but does not require firms operating in Canada which are presently foreign owned to change their ownership.

The Committee noted that banning the establishment of new foreign owned agencies would not necessarily stop the growth in billings. Indeed there is evidence that the growth in foreign owned agency billings might well continue to occur in any case. Ownership requirements only in effect in Ontario might be readily circumvented by merely establishing a business in another province. In any case, the Committee notes that the establishment of new foreign owned agencies not already established in Canada will be covered by the second phase of the Foreign Investment Review Act.

The Committee also considered the prohibition of common accounts. The rationale for banning common account situations would be that they constitute unfair competition particularly to the detriment of Canadian owned agencies and are not based on significant advantages, if any, to the advertiser. It was pointed out to the Committee that banning common account situations would be dislocative of the present situation in the advertising industry and perhaps severely so. As with other types of approaches, restrictions of this kind would tend to cause a shift to other provinces. On the other hand, if the Ontario corporation tax was the device used to restrict common accounts, Ontario tax would affect the major advertisers. It might similarly be desirable to ban or restrict the direct use of U.S. agencies (i.e. the U.S. office of U.S. agencies) by disallowing

the deductibility of advertising expenses for tax purposes. It may be noted that denying deductibility of advertising expenses is a technique which is already employed in Canada in the federal Income Tax Act in connection with the placing of advertising by Canadian advertisers in non-Canadian periodicals. Expenses incurred by Canadian taxpayers in connection with placing advertisements directed to Canadian readers in foreign periodicals are not deductible with two exceptions, namely Time and Readers Digest.

The Committee noted that eliminating common accounts might eliminate one of the more substantial and irritating manifestations of the advantages which foreign owned agencies may enjoy over Canadian ones. On the other hand, banning common accounts would not eliminate all the advantages which foreign owned agencies may have over Canadian agencies in respect of that major portion of advertising business represented by foreign owned firms, and/or their Canadian subsidiaries. However, it would likely be exceedingly impracticable and unfair having disrupted the existing patterns in the advertising business to try to restrict or control directly any expressed preferences which foreign owned advertisers have for foreign owned agencies, even where a preference is solely or largely based on greater familiarity with the names and reputations of foreign owned agencies.

The Committee cannot find justification or an over-riding public interest to support detailed administrative control of agency selection by advertisers. Such an approach would in any case be extraordinarily cumbersome and expensive.

Further, as noted, the Committee considered restrictions on the importation of creative advertising material into Canada. The most important form of importation of creative materials is that associated with television advertising. Primarily, although not exclusively because of the generally very high cost of producing television commercials in the case of many foreign owned advertisers and their products, commercials made in the United States are reused in Canada with or without adaptation. In addition, there are some commercials produced outside Canada primarily or exclusively for use inside Canada. The Committee has noted that the Canadian Radio Television Commission is considering policies which would have the effect of gradually but substantially cutting back on the importation of creative materials for the radio and television media by substantially increasing the Canadian content of these commercials. The Committee supports measures of this kind.

As a further alternative the Committee considered whether government assistance might be provided to Canadian owned agencies to stimulate their development and strengthen their competitiveness vis-à-vis foreign owned agencies. Two possibilities would be to provide assistance in personnel training in a variety of technical, creative and administrative areas; and to provide financial support especially for international expansion.

The Committee also reviewed several aspects of the current situation which tend to argue for no action being taken in respect of foreign ownership in the advertising industry. As the Committee has already noted, in a great many respects foreign owned and Canadian agencies are essentially the same. Both employ Canadians, are similarly organized and structured and generally are not truncated except for major policy decisions in the case of foreign owned agencies.

Some of the foreign owned agencies which came to the Committee's special attention in fact have a higher proportion of creative activity by financial measures than Canadian owned agencies. This is partly due to the higher administrative costs of

Canadian owned agencies associated with the smaller relative size of the accounts. The Committee found that U.S. owned agencies are generally good corporate citizens or at least as good as Canadian controlled agencies. For example, the Committee found that Canadian agencies were generally no better than foreign owned agencies in respect of the importation of creative materials. Having major international agencies represented in Canada provides a desirable degree and level of competition in Canada. There is little or no evidence that Canadian owned agencies behave differently or are trying to be distinctively Canadian.

Finally, it was urged upon the Committee that no action should be taken because the mere publicity surrounding the foreign ownership issue in the advertising industry was tending to operate to the net advantage of Canadian owned agencies. Examples were cited of foreign owned advertisers selecting Canadian agencies for their accounts or part thereof to demonstrate that they did not generally favour foreign owned agencies and were genuinely anxious to give their business to Canadian owned agencies. Some foreign owned agencies claimed that the net effect of public pressure was working to their disadvantage.

Recommendations—Advertising Agency Business

Common Accounts

Having reviewed the evidence and arguments presented to it, the Committee has concluded that the practices leading to common accounts are substantially unfair to Canadian owned advertising agencies and ought to be eliminated with dispatch and prevented in the future. THE COMMITTEE THEREFORE RECOMMENDS THAT ALL EXISTING COMMON ACCOUNTS BE ELIMINATED AND THAT NO NEW ONES BE ALLOWED TO DEVELOP IN THE FUTURE.*

The Committee has considered what form of policy technique would be most appropriate to deal with the common accounts situation. For the reasons identified above the Committee generally favours national, i.e. federal action, rather than action taken by Ontario alone. As regards a specific technique, the Committee has concluded that the deductibility of advertising expenses provides the most appropriate point of leverage in respect of common accounts.

As the Committee discovered in the course of its proceedings and enquiries, it is standard practice for advertising accounts to be placed in the form of lump sum budgets from which advertising agencies typically take a standard commission of 15% for the work they do whether it includes creative work or not and even if its sole function is to place an imported commercial. To discourage and ultimately eliminate the use of common accounts, THE COMMITTEE RECOMMENDS THAT NO DEDUCTION BE PERMITTED FOR INCOME TAX PURPOSES FOR ADVERTISING AGENCY COMMISSIONS OR FEES PAID BY AN ADVERTISER WHERE A COMMON ACCOUNT SITUATION EXISTS.*

In other words, if an advertiser uses the same agency as its foreign parent, or the Canadian subsidiary of that agency, commissions or fees paid to the agency would not be deductible for income tax purposes. Agencies in Canada with a major operating affiliation with a foreign based advertising agency would be treated the same as subsidiaries even though they are not foreign owned.

* Mr. Rowe dissents from this recommendation. See page 26.

The Committee has considered whether or not the common accounts rule should be applied only in respect of common accounts involving U.S. owned agencies or whether it should apply as well to common accounts involving Canadian owned agencies. Clearly the latter arises much less frequently than the former because Canadian agencies have few foreign subsidiaries. In addition, there is not the pool of Canadian owned advertisers with operations abroad which might draw on the services of foreign subsidiaries of Canadian advertising agencies. The Committee has concluded that, as a matter of principle, common account rules should apply in respect of both foreign and Canadian owned advertising agencies. The Committee notes that this recommendation is directed to the elimination of an unfair advantage and does not specifically favour Canadian owned advertising agencies.

New Agencies and Market Share of Billings

If historical patterns are any guide, measures which effectively eliminated common accounts would eliminate a major technique for the introduction of new subsidiaries of foreign owned agencies. In addition, the Committee has noted that the establishment of new agencies in Canada are covered by the Foreign Investment Review Act, although it is not clear exactly what form that control will take.

The Committee is very concerned about the continuing decline in the Canadian owned agencies' share of billings. The Committee hopes that its recommendations, and developments within the industry, will reverse this trend. It is important that there be effective monitoring to be able to review the situation from time to time and to take appropriate action as required.

Accordingly, THE COMMITTEE RECOMMENDS THAT THE MINISTRY OF CONSUMER AND COMMERCIAL RELATIONS MONITOR CAREFULLY ON AN ANNUAL BASIS THE PERCENTAGE BREAKDOWN OF BILLINGS BETWEEN CANADIAN AND FOREIGN OWNED AGENCIES. THE COMMITTEE FURTHER RECOMMENDS THAT NUMBERS OF NEW ADVERTISING AGENCIES IN ONTARIO BE SIMILARLY MONITORED. THE COMMITTEE RECOMMENDS THAT TO THE MAXIMUM EXTENT POSSIBLE EXISTING SOURCES OF DATA BE USED FOR THIS PURPOSE, AND THAT THE AGGREGATE FIGURES FOR THE INDUSTRY BE PUBLISHED.

THE COMMITTEE RECOMMENDS THAT THE GOVERNMENT OF ONTARIO TAKE APPROPRIATE ACTION SHOULD THE RELATIVE POSITION OF CANADIAN OWNED AGENCIES DETERIORATE FURTHER IN THE FUTURE.

THE COMMITTEE FURTHER RECOMMENDS THAT, IN THE ADMINISTRATION OF THE FOREIGN INVESTMENT REVIEW ACT, THE ESTABLISHMENT OF NEW FOREIGN OWNED AGENCIES OR FOREIGN TAKEOVERS OF CANADIAN ADVERTISING AGENCIES BE DISALLOWED UNLESS THE CANADIAN OWNED AGENCIES' SHARE OF BILLINGS SHOWS A STEADY PATTERN OF INCREASE.

Conversion of Agencies to Canadian Ownership

As regards the conversion of advertising agencies to Canadian ownership the Committee has concluded that the advertising agency business is a distinct industry with properties and characteristics that make it quite different from any other line of business endeavour. The Committee finds no basis for designating the advertising business as a key sector for economic reasons, although there are substantial cultural grounds, as the Committee notes below in connection with advertising and advertising content. On the latter score, and as the Committee has noted, Canadian ownership in the

advertising agency business is not associated with development of distinctive Canadian advertising and marketing styles, or with the more substantial use of Canadian creative artistic and technical personnel in connection with advertising (the obverse of importation of creative materials.) Accordingly, apart from the recommended measures respecting common accounts, the Committee is at the present time not disposed to recommend Government action which would be directed to changing the ownership of advertising agencies in Canada. At the same time the Committee considers it desirable that Canadian ownership in the advertising agency business not fall below current levels as measured, for example, by the proportion of agency billings accruing to Canadian owned agencies.

The Committee's recommendations with respect to the monitoring processes are directed to assuring that the proportion of Canadian billings does not continue to decline.

Direct Use of U.S. Agencies

The Committee is concerned about the practice of some Canadian advertisers in placing their advertising requirements with respect to the Canadian market directly with U.S. advertising agencies. The Committee considers that this is essentially a question of good corporate citizenship in respect of the use of Canadian services by companies operating in Canada, especially in areas where services available in Canada are competitive in kind and quality with those available outside. In the Committee's view, the placing of advertising directly with U.S. agencies ought to be discouraged. THE COMMITTEE ACCORDINGLY RECOMMENDS THAT ADVERTISING PLACED THROUGH THE U.S. OFFICES OF AGENCIES WHEN THE ADVERTISING IS DIRECTED PRIMARILY TO CANADIAN CONSUMERS SHOULD BE DISALLOWED AS DEDUCTIONS FOR INCOME TAX PURPOSES. This recommendation is not intended to apply to advertising directed to the sale of Canadian products outside Canada, or to advertising programmes by foreign transportation and hotel industries in connection with tourism.

Again, the Committee feels that this recommendation would be most appropriately implemented at the federal level, both having regard to that jurisdiction's role in income taxation and the regulation of business activity through the use of the tax law, and the desirability of restrictive measures being uniform across Canada rather than confined in application or effect to only one province, in this case Ontario.

Importation of Creative Materials

The Committee is similarly dissatisfied with the very substantial importation of creative advertising materials into Canada. On cultural grounds, especially the support which advertising ought to give to the performing arts and performing artists generally in Canada, the Committee feels that a more predominant proportion of the creative and other content in Canadian advertising should be Canadian.

A particular aspect of concern to the Committee is the question of customs valuation of creative materials being imported into Canada, especially film but also print advertising copy, for example. The Committee understands that frequently if not uniformly, and especially in the case of television commercials, valuation for customs purposes is established on the basis of film footage rather than the cost of the produced commercial.

The Committee considered whether there ought to be restrictions or prohibitions on the importation of creative advertising materials. The Committee notes that substantial restrictions of this kind would make it more costly for advertisers who now use imported creative material in their advertising programmes and that these costs might ultimately be passed on to the Canadian consumer. On the other hand, such measures would tend to put Canadian owned advertisers, who do not typically have the opportunity to spread their advertising costs across the whole North American market, on a more equal footing with foreign owned advertisers in Canada.

The Committee has already referred to the declared intention of the Canadian Radio and Television Commission to embark on a programme of increasing Canadian content in advertising on the broadcast media. It is in respect of advertising on radio and television that the employment benefits for Canadian performing artists and other creative and technical personnel are likely to be the greatest. The Committee generally supports the policy directions enunciated by the C.R.T.C. Accordingly, THE COMMITTEE RECOMMENDS THAT THERE MAY BE NO FURTHER IMPORTATION INTO CANADA OF CREATIVE ADVERTISING MATERIALS, INCLUDING FILMS, SOUND RECORDINGS, PHOTOGRAPHY AND PRINT COPY. THE COMMITTEE RECOMMENDS THAT AN EXCEPTION BE MADE FOR ADVERTISING MATERIAL WHICH IS ESSENTIAL TO ACCURATELY REPRESENT FOREIGN TOURIST AND RECREATIONAL FACILITIES.

SHOULD THE ABOVE RECOMMENDATIONS NOT BE IMPLEMENTED, OR IN THE INTERIM PERIOD DURING WHICH THE FOREGOING RECOMMENDATION IS BEING PHASED IN, THE COMMITTEE RECOMMENDS FEDERAL ACTION TO REVISE CUSTOMS PROCEDURES SO THAT CUSTOMS VALUATION WILL REFLECT THE TRUE VALUE OF IMPORTED ADVERTISING MATERIAL.

U.S. Border Station Advertising

It is already relatively common practice for advertisers to beam commercials to markets in Canadian urban communities close to the U.S. border from U.S. television and radio stations on the U.S. side of the line. In some cases, these are regular broadcast stations in U.S. cities close to the Canadian border, such as Buffalo. In other cases the U.S. stations appear to have been established on the basis of prospective revenues from Canadian advertising. If Canadian governments impose restrictions on the use of imported creative material in broadcast commercials in Canada, advertisers might seek to avoid the effect of the policy by switching or concentrating their advertising to or in U.S. border stations. This is a particularly distinct possibility with respect to the urban agglomerations around Lake Ontario. To avert this possibility, the Canadian Radio and Television Commission has proposed that measures be introduced to prevent or penalize Canadian-based advertisers placing advertising directed at Canadian markets in U.S. border stations. The Committee endorses this proposal.

The Committee notes that border station protests are likely to arise as they did when the C.R.T.C. introduced its regulations governing community antenna television systems. The Committee anticipates that restricting the use of border stations will strengthen the commercial financial support of the Canadian broadcast media. The Committee considers that this would be a desirable development. The Committee is aware that some advertisers may under present circumstances be substantially relying on the use of border station advertising to stimulate sales in Canada. On the other hand the recent establishment of several new television stations in southern Ontario, and an additional locally oriented network (now in financial trouble) have significantly widened the television advertising opportunities for advertisers.

Use of Non-Canadians in Canadian Commercial Production

It was pointed out to the Committee that from time to time there may be an interchange of performers between Canada and the United States for the production of commercials, as well as for the production of films, recordings and so on. It was represented to the Committee that Canadian performing artists encounter more stringent regulations in attempting to perform in the United States than non-Canadians and especially Americans encounter in entering Canada. THE COMMITTEE RECOMMENDS THAT THERE BE CONTINUED EFFORTS TO WIDEN THE OPPORTUNITIES FOR CANADIAN PERFORMING ARTISTS TO WORK OR APPEAR IN THE UNITED STATES ON AN OCCASIONAL BASIS, but the Committee does not recommend that immigration and other regulations governing the temporary use of non-Canadian performing artists in Canadian advertising commercial productions be made more restrictive.

Advertising and Advertising Content

In recent years, the *nature* of North American advertising has come in for a good deal of public and professional criticism, and new regulations. Television advertising because it is the kind on which the most money is spent, because it is the most conspicuous form of advertising, because it employs elaborate and often insidious psychological and associational artifices, and because questions arise concerning the substantial allocation of resources behind the promotion of certain products, has come in for special criticism.

In the context of economic and cultural nationalism advertising is focussed on as a major medium for the transmission into Canada of American values and lifestyles. Heavy advertising promotion of U.S. designed and packaged products amounts in the view of some to Canadians being widely encouraged by the use of the most persuasive media and techniques available to adopt patterns of consumption, and leisure and other values originating in the United States. Some would go further and claim that the values being promoted are crass, corrupt and debasing.

Advertising in many of its present forms is also criticized as abuse or adulteration of a legitimate and important communications function. It is highly desirable that information about products be widely disseminated so that consumers can make intelligent choices. Such dissemination of information about products should also be a key element in the processes of competition, stimulating manufacturers to constantly make real improvements to their products, eliminating inferior products and stimulating the increased production of products which are new and better.

Instead of performing this legitimate information function, it is alleged that advertising generates into the system a steady flow of signals which are misleading and distortive. Consumers are not presented with factual, complete, critical and comparative information about products, their properties, use, maintenance and useful life. Instead they are subjected to subtle and sophisticated attempts to develop product association or loyalties with a desirable sexual or social life, instant personal or social status, or a variety of pleasant states of mind, few of which are really capable of being induced or accomplished by the product itself.

Many see these processes as a deplorable misallocation of society's communications and other resources. In addition, it is pointed out that the product differentiation and other anti-competitive effects of advertising further distort decision making in the economy and introduce undesirable inefficiencies and imperfections.

Others take a different view. They see advertising as a legitimate and ingenious form of promotion for a company's product. Advertising is the foundation of the company's ability to sell and were it not allowed to advertise the economy would fall off and jobs and prosperity would decline. Apart from the elimination of obvious abuses, attempts to control the nature or content of advertising would interfere with freedom of speech and would amount to a form of thought control.

In response it is argued that the promotion of products on a factual and balanced basis, and the use of the communications media to disseminate information about product properties, use and maintenance would not undermine the state of the economy but would actually improve the workings of the production and distribution of products. Products whose technical inferiorities have been overcome by advertising and those whose sales are in large measure not attributable to features of the product but rather to associations with the product which have been built up would no doubt suffer. Other products, many previously denied access to the major communications media because of expense or for other reasons, would benefit. There would be a substantial net gain to society.

There are also rebuttal arguments presented on the questions of freedom of speech and thought control. In the case of advertising and especially television advertising, it is said, it is not a question of a private right to express views. It is a question of the allocation of a community resource, the airways or other media, for the selective presentation of views—selective only because it is infeasible for there to be equal access for every individual or enterprise. No company has an inherent right to have the kinds of advertisements it now offers about its products as widely aired as it wishes or can afford. It is the allocation of a community resource among private interests which is at issue, not merely what are claimed to be private rights.

A similar line of argument is advanced in rebuttal of the argument that interference with advertising content is a form of thought control. Some one or some group of individuals must now decide what ideas will be aired and how in presenting advertising. There is nothing inherently legitimate about the prerogative to make those decisions lying with marketing executives of major advertisers or their agencies. The present system, it is said, is itself a form of thought control. Through a system which allocates to major advertisers the large sums of money required to mount sophisticated advertising, and the ability to pass those costs on to consumers, there is now in effect a decision making system which leads to associational advertising now being more widespread than advertising emphasizing factual content.

The other aspect of these issues, and one especially germane to economic and cultural nationalism, is the opportunity which is presented for Canada to go a different and more desirable route. Were Canadian advertising to take the form of factual and complete presentations about products and product quality, which can also be attractive and entertaining, that would indeed be a distinctive feature of the Canadian media, of Canadian approaches to marketing, and in all probability would lead to valuable and important differences in the functioning of the Canadian market system.

But the question arises what are the realistic alternatives? Even if it is desired to make significant changes in the form and content of advertising, can it be feasibly done without the costly side effects overwhelming any benefits which may accrue? Could the requisite creative processes be harnessed and channelled behind new directions in advertising? Ought they to be induced at all? If so, how?

There are three general kinds of approaches which might be taken.

First, there could be administrative review of advertising and its content on a case by case basis. This approach would, it is predicted, attract strident denunciation as "big brotherism," and "thought control." There is no legitimate place in a democracy, it would be said, for empanelling an elite with such powers, although it is likely the elite which presently has the powers to decide which would be most vocal in its criticism. It would be argued that it is for the consumer, or the individual, to decide what he wishes to hear and what he wishes to buy and not for any governmental agency to decide. Such a process would in addition be enormously cumbersome and expensive.

It is suggested that a number of these points have an element of legitimacy, although the foregoing characterization is extreme. There are already in place controls on advertising which articulate the public interest, such as those applying to flagrantly misleading advertising, advertising directed to children and considered insidious, and other more informal controls.

The securities legislation in effect in virtually all jurisdictions in North America insists that only factual information which is verifiable and complete in relevant categories of information be disseminated in support of the public issue of securities. More than that, it is mandatory that such information be provided. Backing up these and other provisions respecting advertising and promotion are a variety of processes of bureaucratic, administrative and judicial review.

A second approach would be to promulgate legislated or other standards which must be met by advertisers and their agencies in advertisements. Such an approach might take two forms: performance standards to be met, and specific advertising or psychological techniques to be prohibited. For example, there might be proposed standards of the following general form:

that advertising take the form of complete, factual and balanced presentations relating to the actual properties and effects, and the proper use and maintenance of the products (or services) being advertised;

that approaches to complete, factual and balanced presentations of information about products and services which are creative, entertaining and attractive and which improve the communication of factual information or are incidental thereto, and do not detract from or undermine the emphasis on facts, completeness and balance, be encouraged;

that all advertising be free from intentional or apparent features or devices which tend to develop artificial psychological associations of the product with sexual life or social status, or elegance, glamour or excitement of "lifestyle."

that testimonials or other devices to associate well-known personalities with products be prohibited or restricted;

that certain products whose properties do not properly lend themselves to certain forms of media of advertising be denied access to those media;

that where physical or natural settings are used that they be reasonably typical in relation to both the market for and use of the product.

The above does not represent by any means a complete listing of the kinds of standards and problems which may arise. But it does serve to indicate both the possibilities and some of the difficulties in attempting to articulate advertising content standards.

Were standards so articulated the question of remedies for non-compliance would arise. Five main sorts of remedies may be tentatively advanced, to be used individually, sequentially, or in combination. For some categories of variation from or violation of the standards, it might be appropriate to empower a designated agency to engage in corrective consultation with the advertiser and to issue directives if necessary. This kind of approach might be employed, for example, to introduce corrections into advertising near the commencement of the advertising programme. There are already in effect in North American jurisdictions many examples of this sort of administrative device, especially in regulatory agencies governing transportation and communications.

A second general kind of technique would be to subject advertising to administrative review prior to its airing, selectively or only in special circumstances. Examples of special circumstances might be substantial or repeated non-compliance by an advertiser. An advertiser in the latter category would expose himself to prior review of his commercial which others were not subject to.

A third and even stronger remedy would be to require violators to bear the expense of a new set of commercials whose specific aim would be to correct misapprehensions created by the violating advertising programme. This approach is now in effect in the United States in respect of misleading advertising. For example, a leading breakfast cereal manufacturer who had advertised his product as being especially high in "food energy" was required to run a series of advertisements pointing out that higher food energy merely meant more calories. The advertiser had pleaded that publications of the U.S. Department of Agriculture described calories as units of food energy.

A fourth approach would be to provide penalties such as fines and imprisonment for non-compliance with legislated standards.

A fifth form of remedy would be to confer rights of private action against manufacturers for misrepresentations or incomplete representations in the advertisements for their products. It is suggested that private actions have somewhat limited scope as a comprehensive enforcement device in this area, although it may have importance in specific areas. In any case if such rights of action were to be conferred they might require a variety of consequential amendments in areas of commercial and consumer law to avoid substantial unfairness to the advertiser, or substantial disruption in advertising and product distribution generally.

The question of remedies, and the five forms of remedies identified above, all raise the essential question of what kind of decision making or adjudicatory panel and procedure if any, would be appropriate.⁴ It is suggested that many administrative tribunals including many in the United States offer examples of regulatory bodies charged with the case by case administration of rules which are articulated in general rather than specific terms, as would likely be the case in respect of advertising standards of the sort here contemplated. The jurisdiction—i.e. the range of decision making power—of the agency could be more or less narrowly drawn to reflect the degree of concern over authorizing regulatory control over an aspect of the mass media.

Incentives to change the nature of advertising in the indicated directions are a third main form of corrective approach which might be taken. However, it is difficult to devise incentives likely to work well in this connection. There would remain the question of defining which categories of advertising were eligible for the incentives,

⁴In this connection the Committee notes the *Report of the Ontario Royal Commission of Inquiry into Civil Rights in Ontario*, (McRuer Commission), Volumes I-V, Toronto, Queen's Printer, 1968-71.

and for decision making where there was a dispute. It might be possible to give tax incentives, or preferential access to the media or to prime time or space. It is suggested, however, three grounds argue against the use of financial incentives to accomplish these purposes.

First, it does not seem appropriate to subsidize the information function in this way.

Secondly, the use of "incentives" of the sort suggested would be an inefficient means of allocating scarce resources.

Third, if it was possible to achieve sufficient definition in standards to support incentive programs, such standards might be better administered by an agency process of the kind outlined above.

If Canada were to adopt distinctive advertising standards of this sort it would likely also accomplish other ends which the Committee seeks. It is likely that in many categories of products imported, creative materials would not meet the proposed Canadian advertising standards. It might even be possible that distinctive Canadian advertisements would find export markets themselves. In time, other jurisdictions, especially the United States, might change their advertising standards in the directions that Canada had previously taken, and the need for controls on imported creative materials might arise again.

Recommendations

The Committee has concluded that there are substantial and persuasive grounds for the introduction of new legislated standards respecting advertising in Ontario. The Committee is of the opinion that there are substantial constitutional grounds for Ontario assuming jurisdiction in these matters and that it would be appropriate for such legislation to be implemented by the Government of Ontario.

THE COMMITTEE ACCORDINGLY RECOMMENDS THAT THE PARLIAMENT OF ONTARIO ENACT LEGISLATION TO REQUIRE:*

1. THAT ALL ADVERTISING IN ONTARIO TAKE THE FORM OF COMPLETE, FACTUAL AND BALANCED PRESENTATIONS RELATING TO THE ACTUAL PROPERTIES AND EFFECTS, AND THE PROPER USE AND MAINTENANCE OF THE PRODUCTS (OR SERVICES) BEING ADVERTISED.
2. THAT ALL ADVERTISING BE FREE FROM INTENTIONAL OR APPARENT FEATURES OR DEVICES WHICH TEND TO DEVELOP ARTIFICIAL PSYCHOLOGICAL ASSOCIATIONS OF THE PRODUCT WITH SEXUAL LIFE OR SOCIAL STATUS, OR ELEGANCE, GLAMOUR OR EXCITEMENT OF "LIFESTYLE". THE USE OF TESTIMONIALS AND OTHER DEVICES TO PROMOTE ARTIFICIAL AND INAPPROPRIATE ASSOCIATIONS OF PRODUCTS WITH WELL KNOWN PERSONALITIES, THEIR PROFESSION, SUCCESS OR LIFESTYLE; AND THE INAPPROPRIATE ASSOCIATIONAL USE OF NATURAL SETTINGS ARE EXAMPLES OF SPECIFIC TECHNIQUES WHICH SHOULD BE PROHIBITED.

* Mr. Rowe dissents from these recommendations. See page 26.

3. THAT APPROACHES TO COMPLETE, FACTUAL AND BALANCED PRESENTATIONS OF INFORMATION ABOUT PRODUCTS AND SERVICES WHICH ARE CREATIVE, ENTERTAINING AND ATTRACTIVE AND WHICH IMPROVE THE COMMUNICATION OF FACTUAL INFORMATION OR ARE INCIDENTAL THERETO, AND DO NOT DETRACT FROM OR UNDERMINE THE EMPHASIS ON FACTS, COMPLETENESS AND BALANCE, BE ENCOURAGED.

THE COMMITTEE FURTHER RECOMMENDS THAT THE MINISTER OF CONSUMER AND COMMERCIAL RELATIONS ESTABLISH APPROPRIATE MACHINERY FOR THE ENFORCEMENT OF THESE STANDARDS.

Dissent of Mr. Rowe to the Recommendation Respecting Common Accounts
(pages 9, 17)

In its appearances before the Committee both foreign owned and Canadian owned agency representatives stressed that they did not desire additional government intervention of this kind. It is especially noteworthy that the Canadian owned agencies stated emphatically that they did not desire protection of this kind and welcomed free competition among both Canadian and foreign owned agencies.

While I believe that the question of common accounts should be carefully monitored, I do not believe that the effective banning of common accounts is warranted at this time.

Dissent by Mr. Rowe from the Recommendations Concerning Advertising Content (pages 10, 25-26)

I generally agree with the proposition that a distinctive Canadian approach to advertising should be developed. However, in my view the recommendations of the Committee to promote that goal are inappropriate for three reasons. First, I do not believe that general questions of advertising content are within the terms of reference of the Committee. The Committee was directed to inquire only into questions of economic and cultural nationalism; questions of general advertising content do not fall within the scope of the Committee's terms of reference. Second, I think it would be unwise for government to intervene in advertising in the way the Committee proposes. Advertising is an important and attractive part of business and is a major factor in the success and health of business enterprises and the economy as a whole. While I consider it essential that advertising abuses be eliminated, I believe the Committee's recommendations go well beyond that and would, if implemented, damage the sales and business climate in the province. Third, I believe that it would be more appropriate for rules governing advertising to be developed by experts in the advertising industry and in government who are more familiar with the workings and effect of advertising than our Committee has had an opportunity to become.

APPENDIX

ADVERTISING INDUSTRY

Persons Who Appeared Before the Committee

August 10, 1972	Mr. Peter Hunter, Mr. Henry Karpus,	McConnell Advertising Company Ltd., Ronalds-Reynolds & Company Ltd.
January 9, 1973	Mr. Charles Geoffroy, Mr. Edward D. Brown, Mr. Graham Campbell, Mr. Harold Johnston, Mr. Bruce McLean, Mr. George Cross, Mr. James Reeve, Mr. Donald Robertson, Mr. John Straiton, Mr. A. G. Kershaw, Mr. Brian Skinner, Mr. Ivor Downie, Mr. Cal McLauchlan,	Young & Rubicam Ltd., Doyle, Dane, Bernbach Advertising Ltd., Norman, Craig and Kummel (Canada) Ltd., Leo Burnett Company Ltd., Needham, Harper & Steers of Canada Ltd., Spitzer, Mills & Bates Ltd., McCann-Erickson Advertising of Canada Ltd., J. Walter Thompson Co., Ltd., Ogilvy & Mather (Canada) Ltd., Ogilvy & Mather (Canada) Ltd., Brian Skinner Communications Ltd., Downie Advertising Ltd., McLauchlan, Mohr, Ltd.
January 10, 1973	Mr. Don Robertson, Mr. Jack Cronin, Mr. Richard Kostyra, Mr. Neville Sargeant, Mr. Alan Jones, Mr. Jerrold Beckerman, Mr. Paul Siren,	J. Walter Thompson Co., Ltd., J. Walter Thompson Co., Ltd., J. Walter Thompson Co., Ltd., J. Walter Thompson Co., Ltd., J. Walter Thompson Co., Ltd., J. Walter Thompson Co., Ltd., Association of Canadian Television and Radio Artists. (ACTRA)
January 10, 1973		
January 16, 1973	Senator Keith Davey,	Chairman of the Senate Special Committee on the Mass Media.

BRIEFS FILED WITH THE COMMITTEE

On behalf of "Agency Forum"		January, 1973
Brian Skinner Ivor Downie Cal McLauchlan	Brian Skinner Communications Ltd., Downie Advertising Ltd., McLauchlan, Mohr, Ltd.	
On behalf of "Ten Canadian Advertising Agencies"		December, 1972
Edward D. Brown Graham Campbell George Cross William Edwards Charles Geoffroy Harold Johnston Bruce McLean James Reeve Donald Robertson John Straiton	Doyle, Dane, Bernbach Advertising Ltd., Foote, Cone & Belding Advertising Ltd., Spitzer, Mills & Bates Ltd., Norman, Craig & Kummel (Canada) Ltd., Young & Rubicam Ltd., Leo Burnett Company Ltd., Needham, Harper & Steers of Canada Ltd., McCann-Erickson Advertising of Canada Ltd., J. Walter Thompson Co., Ltd., Ogilvy & Mather (Canada) Ltd.	

On behalf of "Canadian Advertising Representatives"	August, 1972										
<table border="0"> <tr> <td>P. W. Hunter</td> <td>McConnell Advertising Company Ltd.,</td> </tr> <tr> <td>H. E. Karpus</td> <td>Ronalds-Reynolds & Company Limited</td> </tr> <tr> <td>C. W. Reynolds</td> <td>Ronalds-Reynolds & Company Limited</td> </tr> <tr> <td>G. G. Sinclair</td> <td>MacLaren Advertising Limited,</td> </tr> <tr> <td>J. B. Vaughan</td> <td>Vickers & Benson Ltd.</td> </tr> </table>	P. W. Hunter	McConnell Advertising Company Ltd.,	H. E. Karpus	Ronalds-Reynolds & Company Limited	C. W. Reynolds	Ronalds-Reynolds & Company Limited	G. G. Sinclair	MacLaren Advertising Limited,	J. B. Vaughan	Vickers & Benson Ltd.	
P. W. Hunter	McConnell Advertising Company Ltd.,										
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C. W. Reynolds	Ronalds-Reynolds & Company Limited										
G. G. Sinclair	MacLaren Advertising Limited,										
J. B. Vaughan	Vickers & Benson Ltd.										
On behalf of "J. Walter Thompson Company Ltd."	December, 1972										
Management and staff of the J. W. Walter Thompson Company Ltd.											
On behalf of "Ogilvy and Mather (Canada) Limited"	January, 1973										
President and Director of Ogilvy and Mather (Canada) Ltd.											
Senator Keith Davey, Chairman, Senate Special Committee on the Mass Media	January, 1973										
On behalf of the "Association of Canadian Television and Radio Artists (ACTRA)	January, 1973										
Paul Siren											
On behalf of "Editcomm Inc."	July, 1973										
Derek Baker											
Young & Rubicam Ltd., International—script of a film on the Multinational Corporation	January, 1973										

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